

From: Carlton H. Segars, Jr.
Subject: Regulation Z -- Truth in Lending

Comments:

Date: Dec 23, 2010

Proposal: Regulation Z - Truth In Lending Act

Document ID: R-1394

Document Version: 1

Release Date: 10/18/2010

Name: Carlton H Segars, Jr.

Affiliation:

Category of Affiliation:

Address:

City:

State:

Country:

Zip:

PostalCode:

Comments:

I have been in the appraisal industry for the past 30 years. I have been witness to the inception of the mortgage brokers and the havoc that their un-regulated antics wreaked upon the financial structure of our country. It took several years and an untold amount of effort to begin to rein them in, and that job is still not over. The rise of the AMC, as well-intentioned as it may be, has all of the attributes of that same debacle. I would ask you to remember the Countrywide Funding disaster (that continues to this day under the guise of a major banking institution). As a sitting Appraisers Board Member (10 years), and an active appraiser, I have seen abuses of both the mortgage brokers and now the AMC's. The homeowners who complain about paying \$500 up front for an appraisal and then finding out that the appraiser was only paid \$200 for his/her work (for which only the appraiser, not the AMC nor anyone else, is the one held liable in the entire loan package as to the value of the collateral, by the way). Where is the equity or fairness in that? Or the appraiser is told that he or she can take the assignment or leave it because some other appraiser will do the job for possibly a smaller fee. These and many other fact-based stories are true. I could continue but I won't. You have my contact information should you want any further information or data. As of this writing, very few of the states have regulation relating to AMC's. If allowed to run unchecked, the potential for abuse is massive and the resulting debacle would help to further cripple the financial foundations of this country. Weak or no action is inexcusable.